



Federal Aviation Administration (FAA) ATB Strategic Framework

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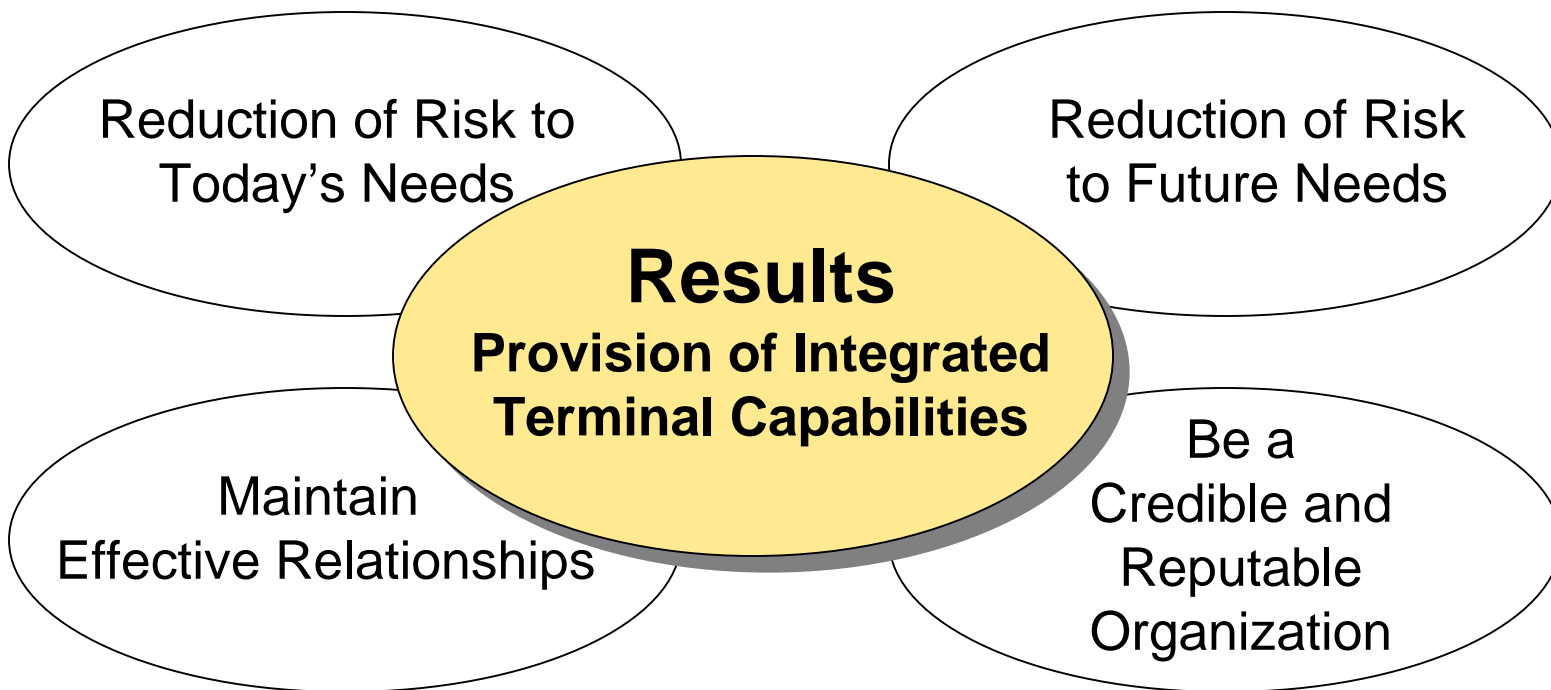
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Purpose

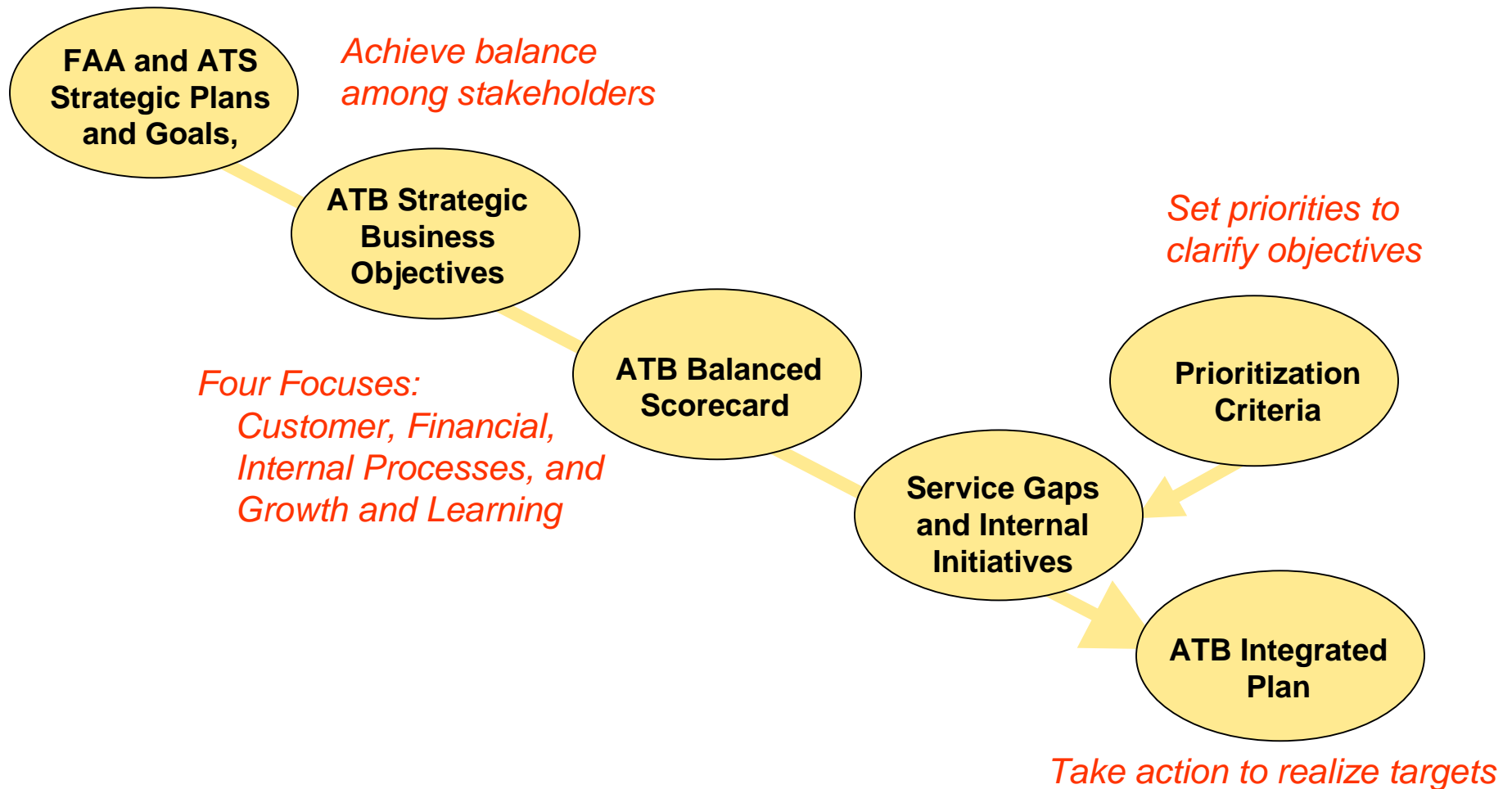
- Describe ATB business objectives, balanced scorecard, and related measures
- Describe the ATB prioritization process, model, and criteria
 - Compare this with existing FAA prioritization criteria



ATB Strategic Management Framework



ATB Strategic Framework



ATB Strategic Business Objectives

DOT Goals

- DOT Strategic Plan 2000-2005
- DOT Performance Plan (FY2001)

DOT Mobility Strategic Goal

- Reducing aviation delays

FAA Goals

- FAA Strategic Plan, June 2000
- DOT/FAA Performance Agreement, FY2001, Draft

FAA Mission Driven Goal:

- System Efficiency
 - increase availability & reduce delays

ATS Goals

- ATS Performance Plan FY2001-2003

ATS System Efficiency Goal:

- Sustain Operational Availability of NAS Capabilities

ATB Mission

Provision of integrated terminal air traffic capabilities

ATB Goals

- ATS Performance Plan FY2001-2003

ATB System Efficiency Goal:

- Sustain Operational Availability of Terminal ATC Capabilities



ATB Balanced Scorecard

Balanced scorecard focuses on business objectives

Customer Focus (external focus) Service today and service tomorrow Existing and new benefits Architecture vision, Efficiency, safety, security, flexibility, capacity, and availability	Financial Focus Cost of ownership Return on investment Ease of growth Lifecycle cost Cash flow/expenditure profile
 People in work environment Capability of ATB workforce Learning and Growth Focus	 Process efficiency Effectiveness of work environment Ease of use Support processes Maintainability Maintainability of ATB integrated capabilities Internal Focus



ATB Balanced Scorecard - Example

ATB System Efficiency Goal: Sustain operational availability of terminal ATC capabilities

Customer Focus (external focus) Sustain 5-year average operational availability of reportable facilities required to deliver terminal ATC automation capabilities (99.5%)	Financial Focus Bring high failure rate components within life expectancy
Identify 10 most common reasons for terminal ATC automation capability operational interruptions. Develop and implement mitigation plan for each. Learning and Growth Focus	Reduce cycle time to restore terminal ATC capability Accomplish ATB integrated plan milestones on time Internal Focus

Balanced scorecard focuses on business objectives

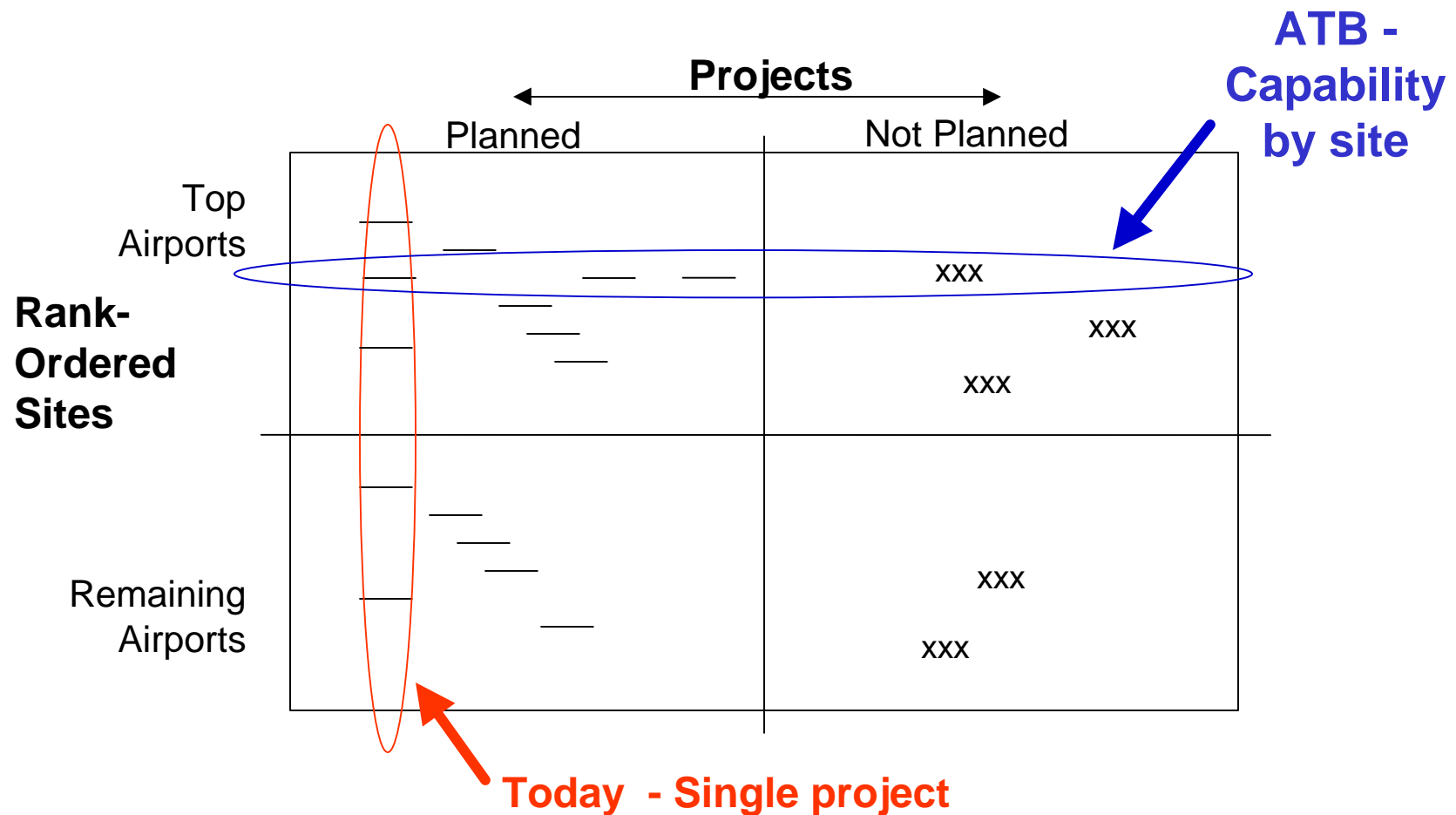


ATB Balanced Scorecard - Example

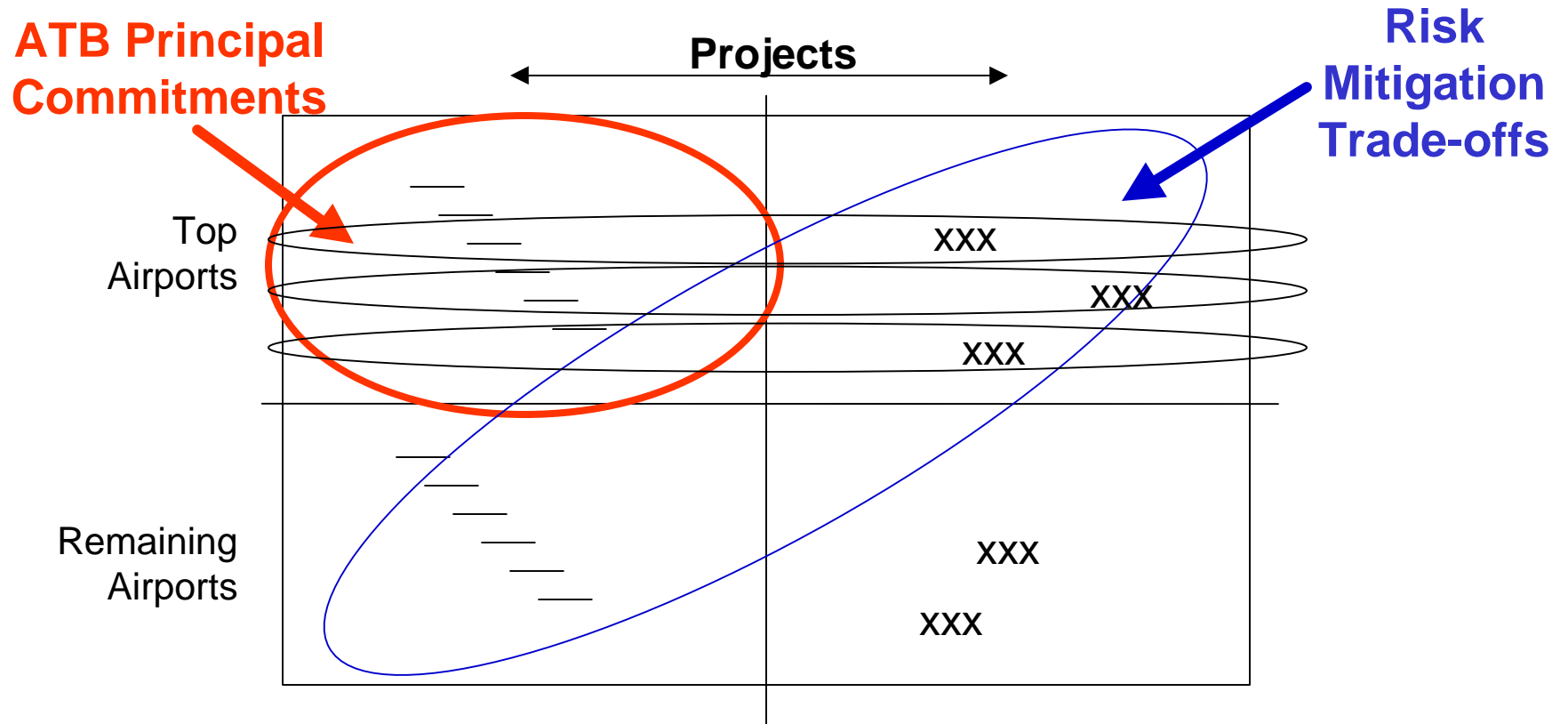
<i>Objectives</i>	<i>Measures</i>	<i>Targets</i>
ATB System Efficiency Goal: <ul style="list-style-type: none"> Sustain operational availability of terminal ATC capabilities 	<p>Customer Focus Sustain 5-year average operational availability of reportable facilities required to deliver terminal ATC automation capabilities</p> <p>Financial Focus Number of high failure rate components brought within lifecycle</p> <p>Internal Process Focus Reduction in cycle time to restore terminal ATC capability</p> <p>Number of ATB integrated plan milestones accomplished on time</p> <p>Learning and Growth Identify 10 most common reasons for terminal ATC automation capability operational interruptions. Develop and implement mitigation plan for each.</p>	<p>Customer Focus Terminal ATC automation capability availability of 99.5%</p> <p>Financial Focus 10% of high failure rate components within lifecycle</p> <p>Internal Process Focus 5% reduction in cycle time to restore terminal ATC capability</p> <p>100% of ATB integrated plan milestones accomplished on time</p> <p>Learning and Growth 10 most common reasons identified and mitigation plan for each included in next year's internal initiatives</p>



Prioritization Alignment



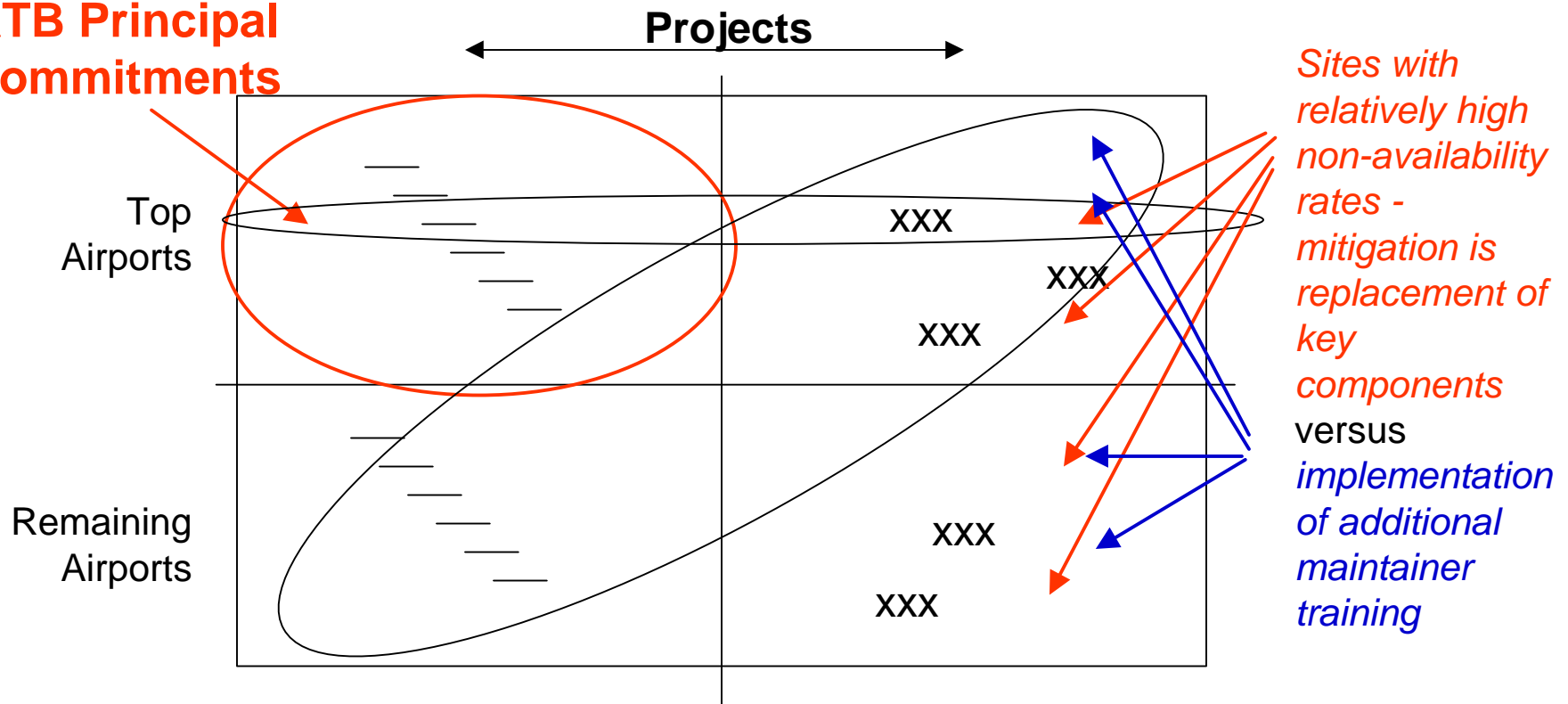
Prioritization Trade-off



Prioritization Trade-off - Example

ATB System Efficiency Goal: Sustain operational availability of terminal ATC capabilities

ATB Principal Commitments



Prioritization Quadrants

Prioritization quadrants reflect balanced scorecard

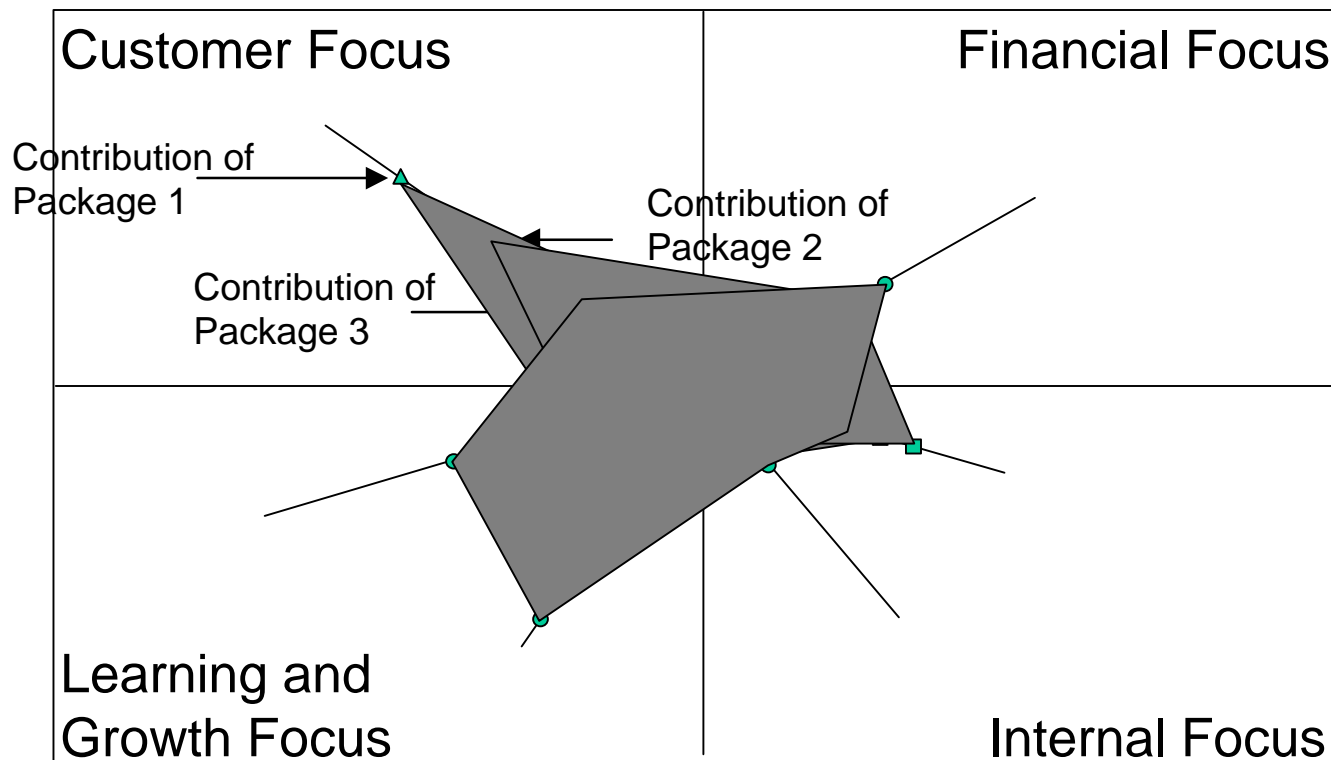
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Prioritization Quadrants

Comparing packages in multiple dimensions

How do you compare apples and pig iron?

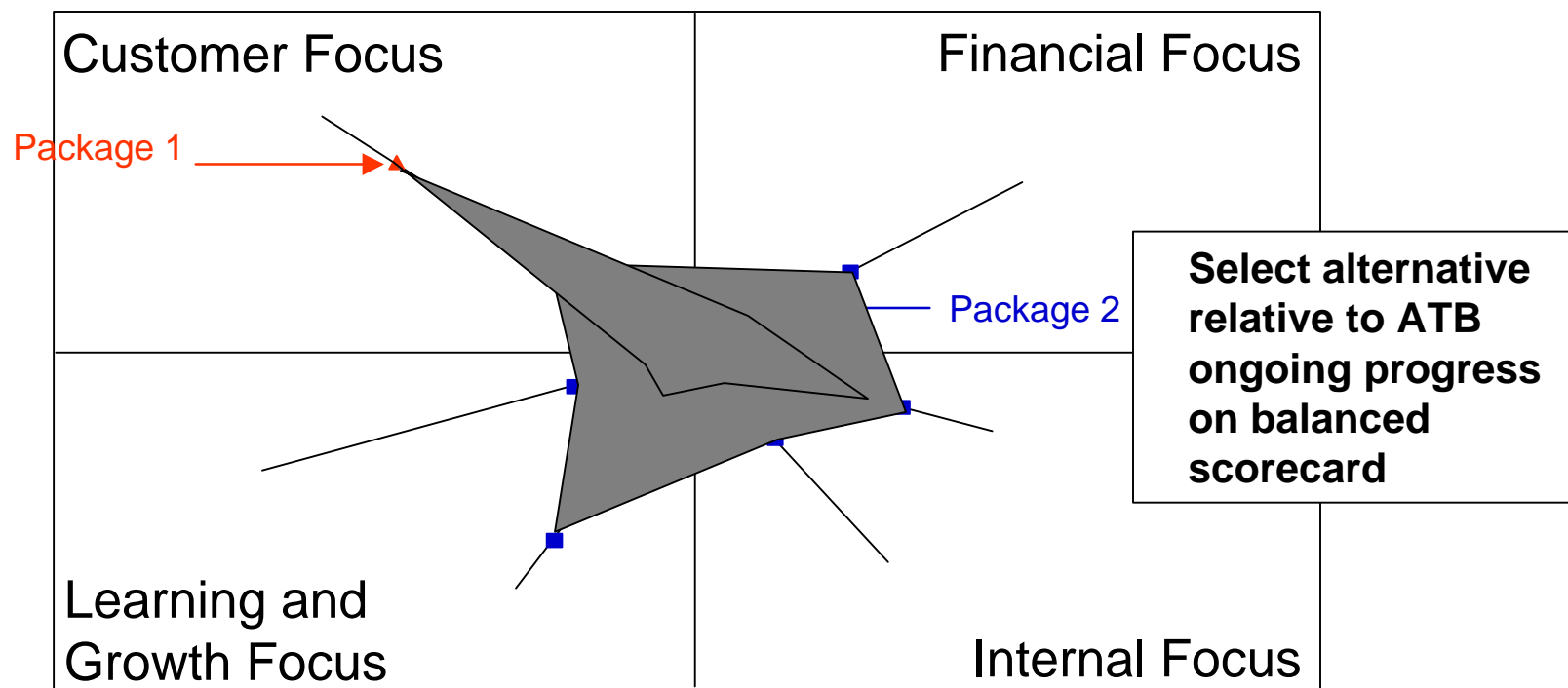


Prioritization Quadrants - Example

ATB System Efficiency Goal: Sustain operational availability of terminal ATC capabilities

Package 1: Replace key components at high non-availability sites

Package 2: Implement additional maintainer training at sites where training is key risk factor



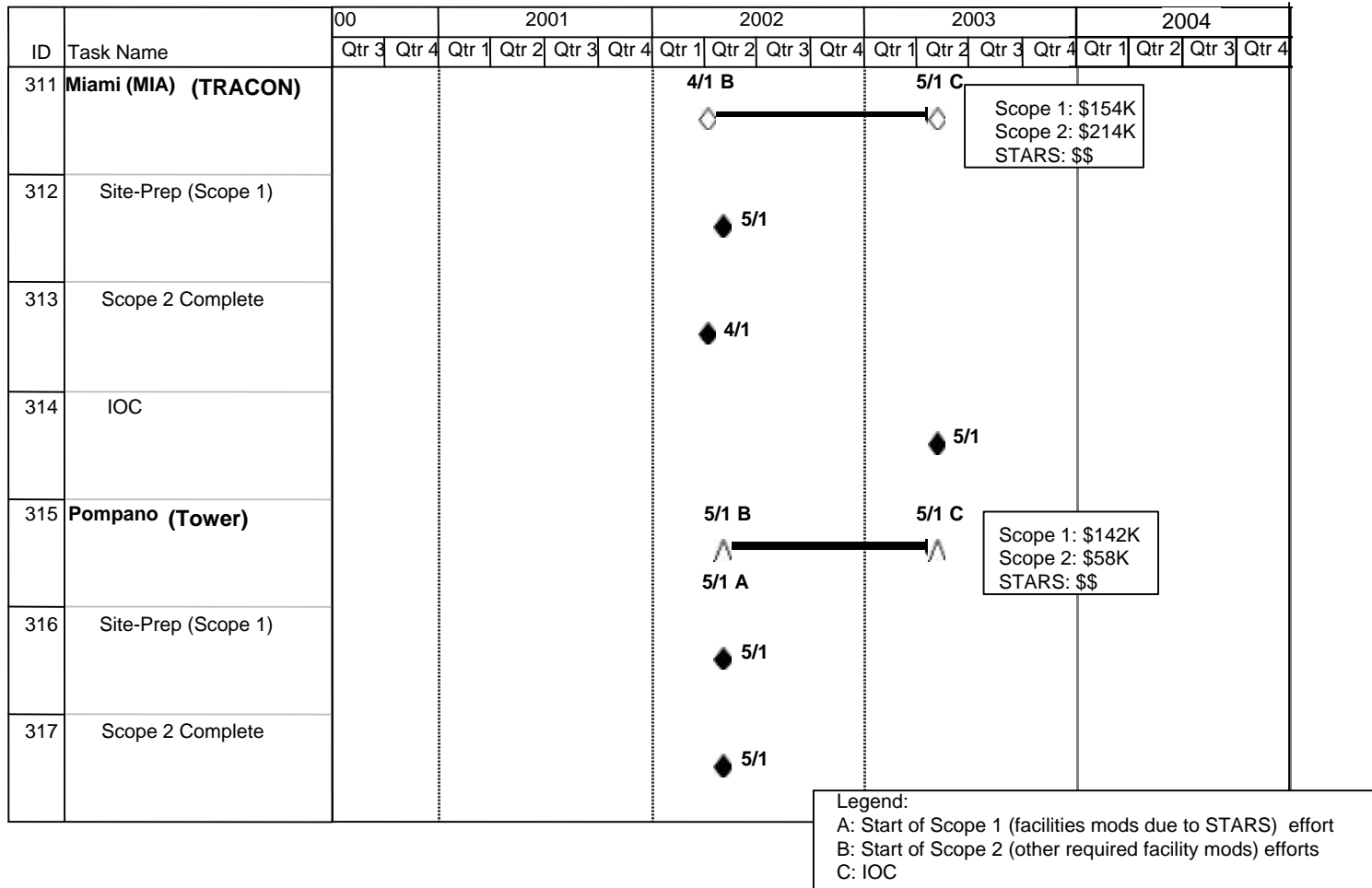
Prioritization Quadrants

Proposed financial points of comparison

- Reduced operational costs, including personnel costs
- Ratio of impact in operational cost to implementation cost, including personnel costs
- Ease with which future service needs can be met
 - Size of expenditure required to modify for future service
- Impact on lifecycle cost of capability
- Ratio of expenditure profile to discretionary funding



Integrated Plan - Example



Prioritization Comparison

- Before ATB
 - By project
 - Cost/benefit
 - new benefits only
 - Reductions taken across all (or mostly all) projects by percent
 - HQ-centric
 - Personality driven
- ATB
 - By capability at a site
 - Return on Investment
 - including cost of ownership
 - Reductions taken by integrated capability by site
 - Service-centric
 - Risk to service today and in the future



Conclusion

- Strategic framework allows us a mechanism to focus on capability
 - Balance existing and new
- The multiple focal points of a balanced scorecard allow us to maintain a rational balance between priorities
 - Retain the overall balance within business unit

